

HUMAN SERVICES BOARD

# INTRODUCTION

## FINDINGS OF FACT

1. The petitioner's wife is a "temporary employee" of the U.S. Postal Service. Her employment makes her eligible to join NAPUS, a postal worker's organization whose members can purchase group-rate health insurance, which she joined when she became employed. However, she dropped her membership in NAPUS in fall 2007 because she didn't think the benefits of that organization, including the health coverage,

justified the membership fees and premiums. Her NAPUS health insurance was discontinued on April 8, 2008.

2. Sometime shortly thereafter, the petitioner applied to the Department for health insurance for himself, his wife, and their children. Based on their income, the Department found the petitioner and his wife eligible to receive CHAP, and their children eligible to receive Dr. Dynasaur benefits.

3. In November 2008, the Department conducted a periodic review of their eligibility. It appears that at this time the Department learned that the petitioner's wife had been receiving health insurance through her employment until April 2008. Because of this, the Department terminated the petitioner's wife's eligibility for CHAP effective December 4, 2008. (It is assumed that the Department does not dispute that her disqualification period will end in April 2009, provided she is otherwise eligible.) The petitioner himself and his children were found to continue to be eligible for their health benefits.

4. The petitioner's wife feels she should be eligible for CHAP despite having had coverage through her employment through April 2008 because she did not know of the one-year disqualification period and the availability of a Department program (ESI) that might have helped pay her employer-

sponsored insurance premiums before she terminated her membership in NAPUS. She does not allege, however, that anyone at the Department misled or misinformed her about any aspect of eligibility for these programs. Unfortunately, she dropped her employer coverage before applying for or inquiring about the Department's programs.<sup>1</sup>

ORDER

The Department's decision is affirmed.

REASONS

The CHAP regulations include the following eligibility requirements:

Uninsured or Underinsured

Individuals meet this requirement if they do not qualify for Medicare and have no other insurance that includes both hospital and physician services, and did not have such insurance within the 12 months prior to the month of application, unless they meet one of the following exceptions specified below.

(a) Exceptions related to loss of employer-sponsored coverage

Individuals who had coverage under another health insurance plan within the 12 months prior to the month of application meet this requirement if their employer-sponsored coverage ended because of:

---

<sup>1</sup>At the hearing the petitioner was advised that she could either immediately apply for ESI if she reenrolled in NAPUS or "wait out" her disqualification period and reapply for CHAP at that time.

- loss of employment. . .

In this case, the Department has correctly determined that the petitioner's wife's employer-sponsored insurance ended because she voluntarily dropped her membership in the organization that provided that insurance, and that as a result she is disqualified from receiving CHAP for a period of one year beginning April 8, 2008. Therefore, the Department's decision to terminate the petitioner's wife's CHAP coverage must be affirmed. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4D

# # #